

**DEPARTMENT OF WATER RESOURCES**

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APR 20 2010

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Attached is the fifth report to the Chairs of the Senate and Assembly fiscal committees on the Department of Water Resources' (DWR) energy use and purchasing activities. This is a supplemental report required by the 2007 Budget Act (Item 3860-001-0001), dated August 2007.

The report discusses the energy related activities of DWR's State Water Project, the California Energy Resources Scheduling Division, and the Office of Water Use Efficiency and Transfers related to its statutory and regulatory authority and disbursement of bond funds.

If you have any questions, please contact me at (916) 653-7007 or your staff may contact Veronica Hicks, Chief of DWR's State Water Project Power and Risk Office at (916) 574-1295.

Sincerely,

A handwritten signature in dark ink, appearing to read "Mark W. Cowin".

Mark W. Cowin  
Director

Attachments

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## **The California Department of Water Resources Summary Report to the California State Legislature Regarding its Energy Use and Purchasing Activities, January 1, 2010**

This report articulates the Department of Water Resources' (DWR's) annual energy consumption and related reductions in greenhouse gases as required by the Budget Act of 2007,<sup>1</sup> and consistent with Assembly Bill (AB) 1585.<sup>2</sup>

- Carbon dioxide (CO<sub>2</sub>) emission levels from State Water Project (SWP) operations will meet the California AB 32 goal of reducing greenhouse gas (GHG) emissions to 1990 levels 12 years earlier than the 2020 deadline.
- DWR's coal based energy contract with Nevada Power Company expires in July 2013. DWR will replace this energy source with resources that reduce the emissions associated with the SWP's power purchase portfolio.
- DWR will issue a request for bids for renewable energy for the SWP, and enter into partnerships with public agencies to solicit renewable energy.
- From 2003 through 2011, DWR's hydroelectric energy efficiency programs (refurbishing or replacing units at SWP facilities) will save 930,000 megawatt hours, and 0.28 million metric tonnes of CO<sub>2</sub> emissions.
- In June 2009, DWR submitted its Mandatory Greenhouse Gas Report to the California Air Resources Board (CARB). The report included data related to the SWP generation, pumploads, hydroelectric unit capacities, and the SWP power purchase portfolio for year 2008.
- In July 2009, DWR submitted its independently verified 2008 CO<sub>2</sub> emissions inventory report to the California Climate Action Registry (CCAR). DWR has thus achieved the status of Climate Action Leader for a second consecutive reporting year.
- DWR sponsors the Subsidence Mitigation Rice Cultivation Research and Farm Scale Wetlands Demonstration Projects<sup>3</sup> within the Western Delta.
- DWR applied for certification of its New Science Center, and the Pearblossom Administration Building through the Leadership in Energy and Environmental Design Silver Standard.<sup>4</sup>
- DWR continues to collaborate with federal, State and local agencies to increase water use efficiency and thereby reduce GHG emissions related to water use. For example, in April 2009, DWR launched a committee to consider sustainability and ecosystem stewardship in its current and future activities.
- The California Energy Resource Scheduling (CERS) meets 19 percent of investor owned utilities (IOU) customers' electricity demands, with 1 percent renewable, 48 percent natural gas, and 51 percent unspecified energy.

<sup>1</sup> <[http://www.lao.ca.gov/2007/supp\\_report/supp\\_rpt\\_2007.pdf](http://www.lao.ca.gov/2007/supp_report/supp_rpt_2007.pdf)>

<sup>2</sup> <[http://www.leginfo.ca.gov/pub/09-10/bill/asm/ab\\_1551-1600/ab\\_1585\\_bill\\_20100226\\_chaptered.pdf](http://www.leginfo.ca.gov/pub/09-10/bill/asm/ab_1551-1600/ab_1585_bill_20100226_chaptered.pdf)>

<sup>3</sup> <<http://www.water.ca.gov/deltainit/docs/Interim-Delta-Actions.pdf>>

<sup>4</sup> <<http://www.greenbuildings.dgs.ca.gov/default.asp>>